



North Central Idaho News

CLEARWATER, IDAHO, LATAH, LEWIS & NEZ PERCE COUNTIES

ECONOMIC TRENDS

February's seasonally adjusted unemployment rate decreased two-tenths of a point from January to 3.8 percent. Other manufacturing, with the metal fabrication sector leading the way, created over 200 new jobs in February. Year-over-year unemployment was also down seven-tenths of a percent from last February's rate of 4.3 percent.

SPECIAL TOPIC: *Agricultural Manufacturing Growing in North Central Idaho*

Small agricultural manufacturing companies are doing well in north central Idaho. Tough as conditions are on the family farm, small companies making things from discs and hitches to four-wheeler sprayers have found a niche.

Their markets are rural residents, who don't necessarily raise crops, and large farms. Lewiston's Agpro shop foreman, Danny Weiss, points to a 14-gallon tank with a sprayer strapped to the back of an all-terrain vehicle.

"There's a lot of five-acre farmers who use this equipment, and it just grows from there," says Weiss.

Then there are large land holders, who buy Agpro's no-till drills designed to handle the undulating terrain of the Palouse and Camas prairies.

Working both the small and large markets gives companies like AgPro diversification. These manufacturers are a growing sector of the regional economy, rising from 5.3 percent to 7.1 percent of overall manufacturing in just the last three years.

They are mostly owner-operated shops either off the beaten path or sometimes home-based. Greg Stolz of Greencreek, for example, makes harrows on his farm to complement his farming income. Harrows are bars with teeth that are dragged across the ground behind farm equipment to level the field and

North Central Idaho Table 1: Lewiston MSA Labor Force & Employment
Nez Perce County, Idaho and Asotin County, Washington

	Feb 2007*	Jan 2007	Feb 2006	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	29,480	28,950	28,860	1.8	2.1
Unemployment	1,060	1,100	1,230	-3.6	-13.8
% of Labor Force Unemployed	3.6	3.8	4.3		
Total Employment	28,420	27,850	27,640	2.0	2.8
<i>Unadjusted</i>					
Civilian Labor Force	29,840	29,330	29,390	1.7	1.5
Unemployment	1,430	1,520	1,620	-5.9	-11.7
% of Labor Force Unemployed	4.8	5.2	5.5		
Total Employment	28,410	27,810	27,770	2.2	2.3
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	27,310	27,090	26,780	0.8	2.0
<i>Goods-Producing Industries</i>	4,600	4,610	4,440	-0.2	3.6
Natural Resources & Mining	190	190	170	0.0	11.8
Construction	1,320	1,300	1,200	1.5	10.0
Manufacturing	3,090	3,120	3,070	-1.0	0.7
Wood Product Manufacturing	540	540	520	0.0	3.8
Paper Manufacturing	1,090	1,090	1,160	0.0	-6.0
Other Manufacturing	1,460	1,490	1,390	-2.0	5.0
<i>Service-Providing Industries</i>	22,710	22,480	22,340	1.0	1.7
Trade, Transportation & Utilities	5,300	5,350	5,310	-0.9	-0.2
Wholesale Trade	690	690	660	0.0	4.5
Retail Trade	3,430	3,470	3,460	-1.2	-0.9
Utilities	90	90	80	0.0	12.5
Transportation & Warehousing	1,090	1,100	1,110	-0.9	-1.8
Information	420	430	400	-2.3	5.0
Financial Activities	2,030	2,020	1,940	0.5	4.6
Professional & Business Services	1,520	1,490	1,560	2.0	-2.6
Education & Health Services	4,520	4,480	4,370	0.9	3.4
Leisure & Hospitality	2,500	2,480	2,410	0.8	3.7
Other Services	1,150	1,160	1,130	-0.9	1.8
Government Education	2,630	2,510	2,540	4.8	3.5
Government Administration	2,010	1,930	2,020	4.1	-0.5
Government Tribes	630	630	660	0.0	-4.5

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

break up straw for no-till growers. Some horse owners pull small versions behind ATVs to clean up their pastures. Stolz fills orders from January through the end of March at his shop. The rest of the time he raises winter wheat, barley and spring wheat.

"It's been a very good supplement," Stolz says.

Not all of the region's agricultural manufacturers are small. The sector includes large companies like Hillco Technologies, the Nezperce-

based maker of performance improving equipment for farm machinery. Controller Carroll Keith says revenues have grown for the last three years as expanding demand for ethanol pushes corn prices higher and boosts sales of Hillco's leveling systems for combines.

Both small and large manufacturers are cashing in on a couple of trends. The number of farms in the United States has dropped in the last five years while the average size increased, according to U.S. Department of Agriculture statistics. The farmers who remain need the latest technology to cultivate increasingly large areas. And the rural population is growing with people who have a couple cows or a few horses and need equipment to care for them but don't depend on animals or crops as a significant source of income.

AREA DEVELOPMENTS

CLEARWATER COUNTY

- More than \$11 million will be spent to improve the 24-mile Grangemont Road that snakes out of Orofino into the county's vast forests. Loaded logging trucks travel the two-lane highway daily as do regular automobiles. Most improvements will be concentrated on the first 11 miles that twist uphill from 700 feet in elevation to around 3,000 feet.
- Manufacturers of recoil pads for rifles and shotguns and glasses for marksmen have taken over the remaining space in the Orofino Business Center. Kick-EEZ previously of La Center, Wash., and Post 4 Optics, formerly of Lewiston, have both signed a 10-year lease with the city for the space that was vacated by shutoff-valve maker Seismic Tech a year ago, said Dieter Kaboth, vice president of the two businesses. Post 4 Optics has two employees while Kick-EEZ has four. Architectural Signs and Engraving occupies the rest of the \$2.5 million center, built to help revive the Clearwater County economy after the Potlatch Jaype plywood mill closed in 2000. Kick-EEZ and Post 4 Optics might grow to between 10 to 15 employees in five years, Kaboth said. "It's incredibly hard to put numbers on it. We do have a huge potential for growth."

IDAHO AND LEWIS COUNTIES

- Some Camas and Palouse area farmers are contracting crops through 2008 to lock in high wheat prices. Bruce Baldwin, manager of Palouse Grain Growers Inc., said farmers are taking advantage of current market prices for as long as they can. It could be a gamble, considering the price could go even higher than the present rate of \$5.26 a bushel.
- "You hope it's the worst marketing move you ever make and that the price will be higher in a few years," said Randy Suess, who farms outside of Col-

fax. "We've been stuck in \$3.50 wheat for so long that it's nice to make a little money."

- Suess said the market has not held prices above \$5 since 1996, and even then the prices did not remain high for as long as they have this season. Soft white winter wheat broke the \$5 mark in October and has hovered around that level since. Prices consistently were around \$3.50 per bushel from 2003 to 2005.
- A prolonged drought in Australia, the region's main competitor in soft white winter wheat production, led to low yields and strengthened the world market. Producers in the Midwest also experienced low yields due to drought. Worldwide wheat production could be up next year, and prices could drop. Suess said a meteorologist recently forecasted more rain for Australia's next growing season, which could result in higher wheat yields.
- "It's a real shooting match," he said. "Farmers are just trying to lock in the best price for their crop. Looking two years into the future is a gamble, but with the current market it could be a wise move."

LATAH COUNTY

- The University of Idaho has unveiled its 'Go Idaho!' program to reward hard-working high school students with college scholarships. The program offers students \$6,000 — and possibly as much as \$45,000 — to attend the university this fall. It is available to any high school graduate with a minimum 3.5 cumulative grade-point average and home-schooled students scoring at least 25 on the ACT or 1140 on the SAT.

"I'm very, very excited about the importance of this scholarship to the kind of learning, the kind of college experience that our students have at the University of Idaho," President Tim White said.

The Go Idaho! Scholarship is intended to ease problems students face when they are distracted by part-time jobs and worried about financing their education. It is meant to give students more time to study and participate in campus life.

There is one catch. Students must maintain a minimum 3.0 grade-point average to remain eligible for the financial aid. Most students will receive \$1,500 a year for a total of \$6,000, but the deal gets even better for students who become National Merit Scholars. These students will receive full-ride scholarships of approximately \$10,000 a year to cover the costs of tuition, fees, room and board.

University Director of Financial Aid Dan Davenport said the program encourages high school sophomores and juniors to realize "if I study a little bit harder and do well, here is the reward I'll have at the end."

NEZ PERCE AND ASOTIN COUNTIES

- The Nez Perce Tribe will give more than \$400,000 to area schools from its gaming revenues. The tribe is mandated through its gaming compact to distribute 5 percent of revenues from the tribe's two casinos to local education programs. Tribal leaders donated \$403,607 for 2006, tribal council assistant secretary-treasurer Joel Moffett said. The tribe operates both the Clearwater River Casino east of Lewiston and the It'se Ye Ye Casino in Kamiah. Potlatch Elementary School Principal Hugh Maxwell said the \$6,000 received by his school has financed after-school programs in the past. This year's funding will help pay for a reading coach to develop a literacy program. "It's critical to some of the existing things that we need to be able to do with our students," Maxwell said, noting the money makes an even bigger difference because of tighter budgets. Tamara Ledgerwood from Timberline High School in Weippe plans to update her science classroom and the \$8,000 will help her and other science teachers get the supplies they need. "I know my kids are going to be enjoying it for years to come," Ledgerwood said.
- Eddie Bauer will open an outlet store May 11 at Nez Perce Plaza in Lewiston. The national retailer targets

consumers between 30 and 55 in communities that appreciate and understand the "modern outdoor lifestyle," said Lisa Erickson, a spokeswoman for the company in Redmond, Wash. Sheldon Jackson, an owner of Bedrock LLC in Spokane, called the store unique to the area with products that are "a little more upscale than your usual hunting and outdoor gear that's made a little more for utility than for style." Bedrock LLC owns the 6,500-square-foot building where Eddie Bauer will go. The store will employ five people, according to paperwork submitted with a building permit. The national tenants Bedrock LLC recruits for Nez Perce Plaza are ones that have precise requirements for their building, Jackson said. The facades, loading docks and dimensions are all geared to what corporate executives have found works best, Jackson said. "They usually will not go into an existing building."

Doug Tweedy, Regional Economist
1158 Idaho St., Lewiston, ID 83501
(208) 799-5000 ext. 3511
E-mail: doug.tweedy@cl.idaho.gov

COMMUNITY EMPLOYER COMMITTEE NOW FORMING IN GRANGEVILLE

The Grangeville Idaho Commerce & Labor office seeks community involvement to establish an employer committee. Employer committees throughout the state are comprised of community business owners, human resource professionals, managers and others who form a partnership with Idaho Commerce & Labor to improve the agency's service to the entire business community. Members meet periodically, providing important information to help local businesses thrive. Participating in these committees is also an opportunity for businesses to have a voice in shaping the services received through tax dollars.

With the support of the local Commerce & Labor office, the committee offers tremendous value to the business community by offering such services as:

- customized business seminars
- resources to assist with work force issues
- help with retention or expansion challenges
- Discussions about daily concerns of operating a business

The vision for this committee is "to allow the business community to help Commerce & Labor identify the needs of area employers," said Heather Sawyer, manager of the Grangeville local office.

Call today about participating in the Grangeville Community Employer Committee (208) 983-0440.



Idaho Commerce & Labor Grangeville local office, 305 N. State St. in Grangeville.